

PT Bank Capital Indonesia Tbk

Analysts: Imelda Rusli / Dyah Puspita Rini

Phone/Fax/E-mail: (62-21) 72782380 / 72782370 / imelda.rusli@pefindo.co.id / dyah.rini@pefindo.co.id

CREDIT PROFILE

Corporate Rating idBBB+/Stable

Rated Issues

Subordinated Bond III/2017 idBBB-
Subordinated Bond II/2015 idBBB-
Subordinated Bond I/2014 idBBB-

Rating Period

April 3, 2018 – April 1, 2019

Rating History

APR 2017 idBBB+/Stable
OCT 2016 idBBB+/Stable
OCT 2015 idBBB+/Stable
OCT 2014 idBBB+/Stable
JUL 2013 idBBB+/Stable

FINANCIAL HIGHLIGHTS

As of/for the year ended

	Dec-2017	Dec-2016	Dec-2015	Dec-2014
	Audited	Audited	Audited	Audited
Total Asset [in IDR Bn]	16,349.5	14,207.4	12,159.2	9,252.7
Total Equity [in IDR Bn]	1,408.4	1,315.0	1,053.4	971.8
Total Gross Loan [in IDR Bn]	7,140.8	6,653.0	6,048.4	4,737.8
Total Cust. Dep.+ ST Funding [in IDR Bn]	14,109.1	12,019.8	10,819.9	8,112.3
Net Interest Revenue [in IDR Bn]	367.6	360.4	288.3	215.8
Net Income (Loss) [in IDR Bn]	86.1	93.5	90.8	74.9
NIR/Average Earning Asset [%]	2.5	2.8	2.8	2.7
Operating expense/operating income [%]	91.0	89.8	89.3	87.7
ROAA [%]	0.6	0.7	0.8	0.9
NPL (3-5)/Gross Loans [%]	2.8	3.2	0.8	0.3
Loan Loss Reserves/NPL (3-5) [%]	12.8	7.6	7.6	49.5
Risk-Weighted CAR [%]	22.6	20.6	17.7	16.4
Gross Loans/Total Deposits (LDR) [%]	50.6	55.4	55.9	58.4
USD Exchange Rate [IDR/USD]	13,568	13,473	13,785	12,385

The above ratios have been computed based on information from the company and published accounts. Where applicable, some items have been reclassified according to PEFINDO's definitions.

PT Bank Capital Indonesia Tbk rated "idBBB+" with stable outlook

PEFINDO has affirmed the rating of PT Bank Capital Indonesia Tbk (BACA) at "idBBB+", and the ratings of its outstanding Subordinated Bond I/2014, Subordinated Bond II/2015, and Subordinated Bond III/2017 at "idBBB-". The subordinated bonds' ratings are two notches below BACA's corporate rating to incorporate the risk of the debt instrument being written down in the event of non-viability, as stated under central bank regulation 15/12/PBI/2013. The outlook for the corporate rating is "stable".

An obligor rated idBBB has an adequate capacity to meet its long-term financial commitments relative to that of other Indonesian obligors. However, adverse economic conditions or changing circumstances are more likely to weaken its capacity to meet its financial commitments. The plus (+) sign in a particular rating indicates that it is relatively strong within the respective rating category. The minus (-) sign in a particular rating indicates that it is relatively weak within the respective rating category.

The corporate rating reflects the Bank's strong capitalization as well as its adequate liquidity and financial flexibility. However, the rating is constrained by its weak asset quality, weak profitability profile, and modest market position.

The rating may be raised if BACA substantially improves its business position, asset quality, and profitability performance on a consistent basis. On the other hand, its rating could be lowered if there is a significant deterioration in its market position or its capitalization profile. The rating could also be under pressure if the Bank fails to produce meaningful improvement in its asset quality profile.

Established in 1989, BACA is a commercial bank focused on retail lending. Its operations are supported by its head office, 3 branch offices, 31 sub-branches, and 39 cash offices. As of December 31, 2017, it was 14.79% owned by PT Inigo Global Capital, 18.58% by PT Delta Indo Swakarsa, 12.54% owned by Danny Nugroho, and 54.09% by the public. PT Inigo Global Capital and PT Delta Indo Swakarsa are ultimately owned by Danny Nugroho.

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